Extraordinary Lutheran Ministries

Endowment - Fiscal Sponsor Information

Through its Endowment, Extraordinary Lutheran Ministries is proud to provide modest financial grants for ministry projects to individual applicants. These grants are typically paid to their congregation or ministry site.

If a grant applicant’s project falls *outside* of what that person would typically be doing as part of their congregation’s ministry, we *still* ask that a congregation serve as the fiscal sponsor for the project.

**What is a fiscal sponsor?**

The technical definition of a fiscal sponsor is: a nonprofit organization that provides fiduciary oversight, financial management, and other administrative services to help build the capacity of charitable projects.[[1]](#footnote-1)

In the case of most applicants to the ELM Endowment, a fiscal sponsor might be a congregation or ministry setting that has non-profit status and is willing to accept the grant funds on behalf of the individual applicant. The fiscal sponsor would then disburse those funds as reimbursements or direct purchases on behalf of the individual.

**Why is a fiscal sponsor important?**

Grants paid to individuals may be considered taxable income which would mean that a portion of the granted funds would need to be paid as income tax. This is a tax burden the ELM Endowment Committee would like to see avoided for individual applicants so that they can use 100% of the funds towards their ministry.

**How does this work?**

To explain how this can work well, please consider this scenario: Pastor Chris is called by St. Mark’s Lutheran Church as an Associate Pastor, primarily leading youth, bible study, and small group ministry. Chris applies for and is awarded a $400 grant from the ELM Endowment for software and camera / microphone equipment to use in developing a video series exploring the worship experiences of LGBTQIA+ people just after they come out. ELM would issue a check for $400 to St. Mark’s. St. Mark’s would set aside these funds and then only use them to either purchase the video items for Chris or to reimburse Chris if they made the video item purchases directly. The only cost to St. Mark’s is staff/volunteer time in processing a few financial transactions; there are no monetary costs associated with serving as a fiscal sponsor.

Grant applicants should please feel free to share this information with their congregation and ministry site leaders. ELM Endowment Committee members are happy to answer any questions you may have about this process and can be reached by emailing elmendowemnt@elm.org.

Extraordinary Lutheran Ministries also has a few congregations and institutions that may serve as a fiscal sponsor if a grant applicant’s own setting is not able or willing to do so. Please contact our ELM Endowment Committee at the above email address for dialog about this possibility.

**Vision & Purpose of ELM Endowment**

The ELM Endowment Fund is a perpetual fund designed to support the current needs of LGBTQIA+ ministers as well as to serve as a wellspring of hope and support for new ministries led by LGBTQIA+ rostered ministers. The Endowment Fund will allow Extraordinary Lutheran Ministries to sustain its support and care for LGBTQIA+ rostered ministers as well as develop new initiatives and widen its reach. ELM’s Endowment Fund will also serve as a partner to the ideas, visions, and dreams of LGBTQIA+ ministers who are experimenting in faith and transforming the church.

The ELM Endowment Fund wholeheartedly supports the mission of Extraordinary Lutheran Ministries in its efforts to empower and sustain LGBTQIA+ leadership in the church. Endowment disbursements support Proclaim members, congregations, and ministries that lift up the LGBTQIA+ community as well as ELM’s internal programming and budget needs. The ministry of the ELM Endowment is led by a committee that makes recommendations to the ELM Board of Directors. Learn more about the ELM Endowment by visiting [www.elm.org/endowment](http://www.elm.org/endowment).



**ELM’s Mission Statement**

Extraordinary Lutheran Ministries organizes queer seminarians and rostered ministers, confronts barriers and systemic oppression, and activates queer ideas and movements within the Lutheran Church

1. [Fiscal Sponsorship: a 360 Degree Perspective](https://www.mission.earth/wp-content/uploads/2016/01/218243020-Fiscal-Sponsorship-A-360-Degree-Perspective-March-2014.pdf), Trust for Conservation Innovation. [↑](#footnote-ref-1)